

Department of Social and Health Services

DP Code/Title: PL-TP Stretcher Van FN

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: H2 080 2003-05 2004 Sup-Agency Req

Recommendation Summary Text:

This request accompanies proposed legislation that would amend current state law requiring all prone or supine persons be transported by ambulance, regardless of the purpose and the person's medical condition (RCW 18.73.180). Statewide result number 4.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(120,000)	(120,000)
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	(120,000)	(120,000)
Total Cost	0	(240,000)	(240,000)

Staffing

Package Description:

The Medical Assistance Administration (MAA) would capture about \$240,000 per year by moving certain non-emergent ambulance trips from its post-authorization Ambulance (Ground) program to its pre-authorization Non-Emergent Medical Transportation (NEMT) Broker program. This new payment system to save dollars is subject to other state agencies (Health, Licensing) creating and implementing regulatory structures to assure client health and safety, which is likely to take one year from an effective date of change in state law allowing "Stretcher Vans."

At least 3,000 trips per year, currently provided by Ground Ambulance, would instead be provided through the Transportation Broker system using lower-priced Cabulances, Stretcher Vans and similar vehicles. The Broker system drives down costs by using an open competitive marketplace-driven system, where neutral third parties (Brokers) arrange and distribute trips.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This request is consistent with MAA efforts supporting enhanced capabilities for prudent purchases of services for DSHS clients.

Performance Measure Detail

Goal: 01Z DSHS Accounts for Its Use of Public Dollars

Incremental Changes

Outcome Measures

FY 1 FY 2

1ZA Agency efficiency produce General Fund - State Savings.

0 (\$240,000)

Program: 080

Goal: 15H Enhance Abilities to be an Effective Purchaser of Health Services

Incremental Changes

FY 1 FY 2

No measures submitted for package

Department of Social and Health Services

DP Code/Title: PL-TP Stretcher Van FN

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: H2 080 2003-05 2004 Sup-Agency Req

Reason for change:

- Ambulance (Ground) - To reduce unnecessary use of higher-cost transport mode, for no reason of medical necessity.
- To increase availability of Ambulance and Emergency resources to respond to true medical emergencies.
- To increase availability of Hospital Emergency Room (E/R) resources for critical emergencies. NOTE: All patients delivered to E/R by Ambulance must occupy an E/R bed, regardless of actual medical necessity.
- Transportation (Brokered) - To increase appropriate use of lower-cost transportation modes, per the actual medical necessity of individual clients.
- By developing a new "Stretcher Van" market, local communities, small businesses and other payers will benefit.

Impact on clients and services:

- Ambulance (Ground) - Reduce unnecessary ambulance services.
- Transportation (Brokered) - Increase appropriate transportation services.

Impact on other state programs:

- Ambulance (Ground) - Reduce trips currently regulated by the Department of Health, estimated at 750,000 trips per year for all payers.
- Transportation (Brokered) - Increase trips variously regulated by these state agencies: Department of Health, Department of Licensing, and the Washington Utilities & Trade Commission.

Relationship to capital budget:

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

Changes are required to RCW 18.73.180.

Alternatives explored by agency:

Current state law does not allow for any other options.

Budget impacts in future biennia:

Savings in future biennia are anticipated.

Distinction between one-time and ongoing costs:

Savings realized would be ongoing.

Effects of non-funding:

- Ambulance (Ground) - Would continue to expend approximately \$300,000 per year for trips that are neither medically necessary for clients, nor cost-effective for the state, but that are required by current state law.
- Transportation (Brokered) - Would continue to be unable to manage non-emergent, scheduled transportation for trips that have no current payment "gatekeeper," being required solely by state law, and not based on medical necessity.

Expenditure Calculations and Assumptions:

Department of Social and Health Services

DP Code/Title: PL-TP Stretcher Van FN

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: H2 080 2003-05 2004 Sup-Agency Req

Object Detail

FY 1

FY 2

Total

Overall Funding

N Grants, Benefits & Client Services

0

(240,000)

(240,000)

DSHS Source Code Detail

Overall Funding

FY 1

FY 2

Total

Fund 001-1, General Fund - Basic Account-State

Sources Title

0011 General Fund State

0

(120,000)

(120,000)

Total for Fund 001-1

0

(120,000)

(120,000)

Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa

Sources Title

19TA Title XIX Assistance (FMAP)

0

(120,000)

(120,000)

Total for Fund 001-C

0

(120,000)

(120,000)

Total Overall Funding

0

(240,000)

(240,000)